



Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

December 26, 2001

**Conditional Approval #506
January 2002**

Paul F. Jock, II, Esq.
General Motors Building
767 Fifth Avenue
New York, NY 10153

Re: Application by General Motors Asset Management, a subsidiary of General Motors Corporation, to charter a national CEBA trust bank with the title of General Motors Trust Bank, National Association, New York, New York.
CAIS Control Number: 2001-NE-01-0004

Dear Mr. Jock:

The Comptroller of the Currency ("OCC") has reviewed your application to establish a new national CEBA trust bank with the title of General Motors Trust Bank, National Association, ("Bank"). After a thorough evaluation of all data available to the OCC, we found that your proposal met the requirements for preliminary conditional approval.

This approval is granted based on a thorough review of all information available, including the representations and commitments made in the application and by the proposed Bank's representatives. We also made our decision to grant preliminary conditional approval with the understanding that the proposed national bank will apply for membership in the Federal Reserve System and will not be FDIC-insured.

This preliminary conditional approval is subject to the following "conditions imposed in writing by the agency in connection with the granting of any application or other request" within the meaning of 12 U.S.C. § 1818 and, as such, are enforceable under 12 U.S.C. § 1818.

1. The Bank's initial paid-in capital, net of organizational and pre-opening expenses, shall be no less than \$6.0 million.
2. At all times, the Bank shall maintain a minimum of \$6.0 million in Tier 1 capital.
3. If the Bank fails to maintain Tier 1 capital in the amount of \$6.0 million, the Bank shall be deemed "undercapitalized," for purposes of 12 U.S.C. § 1831o and 12 C.F.R. Part 6, and the

OCC shall have the authority to take any action authorized under all provisions of 12 U.S.C. § 1831o and 12 C.F.R. Part 6 applicable to an undercapitalized national bank. For purposes of section 1831o(e)(5), an action "necessary to carry out the purpose of this section" shall include restoration of the Bank's capital so that it is not "undercapitalized," and any other action deemed advisable by the OCC to address the Bank's capital deficiency or the safety and soundness of its operations.

4. The bank shall obtain prior non-objection from the OCC's District Deputy Comptroller for the Northeastern District before any significant deviation or change from the proposed operating plan occurs during the bank's first three years of operation. The bank must notify District Deputy Comptroller for the Northeastern District at least sixty (60) days prior to any proposed significant deviation or change.
5. All transactions between the Bank and any affiliates, domestic or foreign, shall be conducted subject to the applicable provisions of 12 U.S.C. § 371c and c-1, or other applicable Federal law. The Board of Directors of the Bank annually shall review and approve the service agreements and any other transactions with domestic and foreign affiliates, including in particular any cost allocation, fee-sharing or tax-sharing provisions in such agreements or other transactions.
6. The Bank must notify all potential vendors in writing of the OCC's examination and regulatory authority under 12 U.S.C. § 1867(c). All final vendor contracts must stipulate that the performance of services provided by the vendors to the Bank is subject to the OCC's examination and regulatory authority. The provisions of 12 C.F.R. 9 would be applicable to any fiduciary activities contracted out to vendors.

Please be advised that the OCC is currently reviewing its capital and liquidity policy with respect to national trust banks. Should there be a change to our policy as a result of the review, we will advise you accordingly.

Please refer to the "Corporate Organization" booklet (enclosed) in the *Comptroller's Corporate Manual* for the instructions on organizing the Bank. The booklet contains all of the steps you must take to receive your charter. As detailed in the booklet, you may establish the corporate existence of and begin organizing the Bank as soon as you adopt and forward acceptable Articles of Association and the Organization Certificate to this office. As a "body corporate" or legal entity, you may begin taking those steps necessary for obtaining final approval, but you may not begin the business of banking until you fulfill all requirements for a bank in organization and you are granted final approval by the OCC.

Enclosed are standard requirements that must be met before the Bank will be allowed to commence business. Management must ensure that the applicable policies and procedures are established and adopted by the board of directors before the Bank begins operation. Applicable standard requirements also must be satisfied before the Bank will be allowed to commence business. In addition to the procedural requirements for all new national banks, the following

requirements must be satisfied prior to the Bank's request for a pre-opening examination and before the OCC will grant final charter approval:

Please be aware that the trust officers and staff should become thoroughly familiar with "Fiduciary Powers of National Banks and Collective Investments" at 12 C.F.R. 9 and 12 C.F.R. 5.26. Management is reminded that 12 C.F.R. 5.26 requires a national bank which already has approval to engage in fiduciary activities to provide written notice to the OCC when commencing fiduciary activities in a new state. Also, in addition to the independent annual audit requirement referenced in the standard requirements, the Bank will need to develop and implement a fiduciary audit program as required by 12 C.F.R. 9.

The OCC poses no objection to the following persons serving as executive officers and directors as proposed in the application.

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| W. Allen Reed | Organizer/Director/President and Chief Executive Officer |
| Michael E. Klehm | Organizer/Director/Chief Operating Officer/Chief Financial Officer/Treasurer |
| Paul F. Jock, II | Organizer/Director/Vice President/General Counsel |
| R. Charles Tschampion | Organizer/Director/Managing Director - Investment Strategy/Asset Allocation/Defined Contribution Plans |
| B. Jack Miller | Organizer/Director/Vice President/Business Development |
| Thomas E. Dobrowski | Managing Director - Real Estate/Alternative Investments |
| David F. Holstein | Managing Director - Global Equities |
| Tony Duen-Li Kao | Managing Director - Global Fixed Income |
| Patricia M. McDonald | Vice President - Corporate Governance/Secretary |
| Edgar J. Sullivan | Vice President - Investment Research |

All background checks requested by the OCC have not been received yet. Although we have decided not to delay action pending receipt of those responses, continued service of the affected individuals will be dependent on satisfactory completion of the background investigation process.

You are reminded that additional executive officers to be appointed prior to opening are subject to the OCC's prior review and clearance. Also, for a period of two years after the Bank has opened for business, the Bank must seek and receive no objection from the OCC prior to any new executive officer or director assuming such position.

Until final approval is granted, the OCC has the right to alter, suspend, or revoke preliminary approval should any interim development be deemed by the OCC to warrant such action.

This preliminary conditional approval, and the activities and communications by OCC employees in connection with the filing, do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the government of the United States of America ("U. S."), any agency or entity of the U.S., or an officer or employee of the U.S, and do not

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affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations. The foregoing may not be waived or modified by any employee or agent of the OCC or the U.S.

The OCC will send to you under separate cover an appropriate set of OCC handbooks, manuals, issuances, and selected other publications.

Please direct any questions concerning this preliminary conditional approval to Sandy Reddy, Senior Licensing Analyst, in the Northeastern District Office at (212) 790-4055.

Sincerely,

/s/

Beverly L. Evans
Senior Licensing Analyst
Licensing Operations

Enclosures: "Corporate Organization" Booklet
Minimum Policies and Procedures
Standard Requirements